STATE OF NEW YORK)
)SS:
COUNTY OF ERIE)

I, Michelle Rosowicz state as follows:

- 1. I am employed as Human Resources Manager for Cascades Containerboard Packaging ("Cascades") in Lancaster, New York. My address at Cascades is P.O. Box 7575, 4444 Walden Aveneue, Lancaster, New York 14086. My telephone number is (716) 651-2000 ext. 73203. My cell phone number is (716) 308-2252.
- 2. The Cascades plant in Lancaster is engaged in the manufacture of corrugated products. I began working for Cascades in Lancaster on September 21, 2015. I have always worked at Cascades in Lancaster as the Human Resources Manager. In that position I have been involved in working on employee issues including issues involving Cascade employees represented by Local 27, Graphics Communications Conference of Teamsters ("Local 27"). At all times at Cascades I was advised by Cascades management that Local 27 was the Union that represented Cascades' unionized employees. I had also been told that Local 27 had been placed in trusteeship by the Graphics Communications Conference, Local 27's parent organization and that Michael Stafford was the appointed trustee of Local 27. Mr. Stafford was, at the same time he was trustee of Local 27, the President of Local 503, Graphics Communications Conference ("Local 503"). Local 27 was located in Buffalo, New York. Local 503 was located in Rochester, New York, approximately 75 miles from Buffalo.
- 3. In August and September 2016 Cascades negotiated the present collective bargaining agreement (see Exhibit A) covering certain employees of Cascades. The agreement was entered into between Cascades and Local 27. To the best of my knowledge no members of the Cascades bargaining team was ever so notified. I was never informed and, to the best of my

knowledge, no official at Cascades was ever informed that Local 27 would be replaced by Local 503 until we saw documents supplied by Local 503's attorney on October 27, 2017, submitted as part of the legal documents associated with the lawsuit Local 503 filed against Cascades on August 29, 2017. See Exhibit B.

- 4. During my dealings with Michael Stafford on behalf of Cascades, I always dealt with him as the trustee of Local 27 and not as the President of Local 503. I may have sent correspondence to him at his Local 503 address or addressed him as the President of Local 503 because that was his address and that was one of his titles but, I never recognized Local 503 as the representative of Cascades' employees.
- 5. The first time I learned Local 503 might be claiming to represent Cascade employees was when Local 503 filed an unfair labor practice charge with the NLRB against Cascades dated April 5, 2017 alleging that Cascades had failed to bargain with Local 503 concerning changes to healthcare premiums (Exhibit C). Throughout the processing of this charge, Cascades denied that Local 503 was the bargaining representative for any Cascades employees (see Exhibit D, Position Statement submitted May 25, 2017 to NLRB; Exhibit E Answer to Complaint submitted August 28, 2017). This case eventually settled with a non-Board settlement in which Local 503 acknowledged that Cascades at no time recognized Local 503 as the bargaining agent for Cascades' employees (see Exhibit F).
- 6. At this time, in order to maintain the status quo, Cascades has agreed not to change any terms and conditions of employment contained in the collective bargaining agreement which expires on October 1, 2020. Cascades has established an escrow account where it is depositing employee dues money which at the conclusion of this case will either be returned to the employees, with interest, or sent to Local 503, with interest. Finally, Cascades is continuing to

meet with the employee committee that negotiated the last collective bargaining agreement on behalf of Local 27 in order to discuss issues and problems that have arisen at the workplace involving bargaining unit employees.

I have read the above affidavit consisting of three (3) pages and it is the truth to the best of my knowledge and belief.

Aichelle Rosowicz

4847-8532-4897, v. 1

EXHIBIT A

COLLECTIVE BARGAINING AGREEMENT

-between-

CASCADES CONTAINERBOARD PACKAGING - Lancaster, a division of Cascades New York Inc.

-and-

LOCAL NO. 27 OF THE GRAPHIC COMMUNICATIONS CONFERENCE OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS Buffalo, New York

> Effective: October 2nd, 2016 – October 1st, 2020

٠.

THIS AGREEMENT is made and entered into by and between CASCADES CONTAINERBOARD PACKAGING - Lancaster, a division of Cascades New York Inc.; here in after referred to as Employer; and LOCAL 27C OF THE GRAPHIC COMMUNICATIONS CONFERENCE OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, Buffalo, New York hereinafter referred to as the Union; and has, as its purpose, the promotion of harmonious relations between the Employer, the employees and the Union, the establishment of an equitable and peaceful procedure for the resolution of disputes, and the establishment of er pay, hours and other conditions of employment.

ARTICLE 1

Recognition

Section 1.01

The Employer agrees to recognize the Union as the exclusive bargaining representative for all employees employed by the Employer at its 4444 Walden Avenue, Lancaster, New York location, for only the hourly production, maintenance and truck drivers and excluding all other employees in the Lancaster Facility.

ARTICLE 2

Management Rights

Section 2.01

The Union and the employees covered by the Agreement agree that, except as expressly limited by specific provisions of this Agreement, all of the authority, rights, functions and responsibilities possessed by the Employer are retained by it, including but no limited to: the right to hire, train, retain, promote, assign or transfer employees; to direct, deploy and utilize the work force, to schedule operations, including the right to change work schedules; to subcontract or discontinue temporarily or permanently, in whole or in part, its business or operations when and as exclusively determined by the Employer; to layoff, recall, terminate, discharge, discipline, demote or relieve employees; to implement work week reduction schedules; to determine and enforce work rules, standards of personal behavior on the job and occupational health and safety standards; and to alter past work customs, traditions and practices; provided these rights shall not be contrary to the specific provisions of this Agreement. It is understood that the exercise or non-exercise of rights hereby retained by the Employer shall not be deemed a waiver of any such right or prevent the Employer from exercising such rights in any way in the future.

Section 2.02

The Employer and the Union agree to cooperate in fulfilling their obligation under the Americans with Disabilities Act ("ADA") and the Family and Medical Leave Act ("FMLA"). Compliance with the provisions of the ADA and the FMLA shall not be construed as a violation of this Agreement. Where there arises a conflict between the law and the provisions of this Agreement, the Union shall be given notice and opportunity to discuss same before implementation.

ARTICLE 3

Dues Checkoff

Section 3.01

The Employer, during the term of this agreement, upon receipt of an individual, voluntary, separate authorization in writing, executed by a member of the Union pursuant to the provisions of the Labor-Management Relations Act, as amended, agrees to deduct dues uniformly required of all members of the Union. Each authorization shall be in the form mutually acceptable to the Employer and the Union.

Section 3.02

No deduction of dues or fees shall be made until and unless the amount of dues and fees to be deducted and any changes thereto are certified to the Employer by an authorized officer of the Union.

Section 3.03

An authorization on file with the Employer shall be honored until and unless it has been revoked or amended pursuant to the terms and conditions of the signed authorization and by written notice received by the Employer from either the Union of employee.

Section 3.04

The Union shall defend and save the Employer harmless against any and all claims, suits, or other forms of liability that shall or may arise by reason of action taken or not taken by the Employer to comply with the terms of this Article or in reliance on a certification issued by the Union.

Union Security

Section 4.01

All employees in the unit covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement, shall be required, as a condition of continued employment, to remain members of the Union to the extent of tendering the periodic membership dues uniformly required of all union members.

Section 4.02

All employees in the unit covered by the Agreement, who are hired subsequent to the effective date of this Agreement, shall be required, as a condition of continued employment, to become and remain members of the Union on and after 520 hours (worked) of employment, following the commencement of their employment.

ARTICLE 5

Grievance Procedure

<u>Section 5.01</u> The Employer and the Union recognize the importance of an orderly, clearly definitive procedure for processing alleged grievance for employees included in the unit covered by this Agreement. The primary intention of this procedure is to resolve any alleged grievance at the lowest possible level.

Section 5.02

For the purpose of this Agreement, a grievance is defined as any claimed violation, misapplication, or misinterpretation of an express provision of this Agreement. In the event of any dispute, the matter shall be settled in accordance with the following procedure.

Section 5.03

If a decision at one step is not appealed to the next step of the procedure within the time limit specified, the grievance will be deemed to the discontinued and further appeal shall be barred.

Section 5.04

It is the intent of the parties that grievances be processed as rapidly as possible. The number of days indicated at each step of the procedure should be considered as maximum and every effort should be made to expedite the process. However, when mutually agreed in writing, the time limits may be extended.

Step 1:

Any employee or Union Representative shall first take up the matter in dispute with management within five (5) working days after the knowledge of its occurrence.

Step 2

If the matter in dispute is not resolved within 7 working days the grievance shall be reduced to writing and presented to the Company. The Company shall have 7 working days to respond in writing.

Step 3

If the matter in dispute is not resolved in step 2 within 7 working days after receipt of the written Company response, a meeting shall be held between the Company President (or his/her appointed representative) and the Union President (or his/her appointed representative).

Step 4

If the grievance is not settled in steps one, two and three above, the grievance may be referred to Federal Mediation upon the mutual agreement of both the President of the Union and a Company Management Representative.

Step 5 Arbitration

If the matter in dispute is not resolved within 7 working days after step 3, or step 4 if used, the matter shall then be referred to an arbitrator agreed to by the parties within ten (10) working days, thereafter by either party notifying the other, in writing, of its intention to arbitrate and, simultaneously requesting FMCS to furnish a list of seven (7) names of arbitrators. The parties will then alternately strike names until one (1) remains, who will be designated.

The Arbitrator shall render his decision in writing to the Employer and the Union which decision shall be binding upon both parties and employees covered by this Agreement. The arbitrator shall render a written decision within thirty (30) days following the close of the arbitration proceeding.

The arbitrator shall have no power or authority to add to, detract from or modify, explicitly or impliedly, any express term of this Agreement, and his authority shall be limited to deciding only whether a specific provision of this Agreement has been violated. Costs for the arbitrator services and his expenses, if any, will be shared equally by the Employer and the Union.

Discipline

Section 6.01

The Employer shall have the right to invoke disciplinary action, including discharge or suspension, upon any employee covered by this agreement. The Employer shall notify, in writing, the employee involved and the Union Steward of such action.

Section 6.02

A grievance contesting a disciplinary action must be filed with the Employer within five (5) calendar days from the effective date of such disciplinary action; otherwise, the grievance shall be deemed waived.

Section 6.03

Employees in the unit covered by this Agreement shall be entitled, upon request, to the presence of a Union Representative at any meeting with the Employer in which disciplinary action is imposed upon such employee.

ARTICLE 7

No Strike / No Lockout

Section 7.01

The Union, its official, affiliates and members and each employee member, individually and collectively, agree that they will not directly or indirectly call, authorize, sanction, case or permit, instigate, aid, support, encourage or condone, or take part in any strike action of interference with the operation of the Employer, such as a work stoppage, sit down, sit-in, sympathetic, general or any kind of walkout, curtailment or work, slowdown, restriction or production or interruption of work of any kind or any picketing, patrolling, or demonstrating at any facility of the Employer, during the term of this Agreement and as a continuing obligation.

Section 7.02

The Employer agrees that it shall not take any action during the term of this Agreement, which would constitute a lockout of employees in the unit covered by the Agreement.

Holidays

Section 8.01

(a) Regular full-time employees shall receive eight (8) hours pay at their regular straight time rate for each of the following recognized holidays:

New Year's Eve
New Year's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day after Thanksgiving Day
Day before Christmas Day
Christmas Day

- (b) Regular full-time employees hired prior to October 1, 2016 shall be entitled to three (3) individual Floating Holidays per year. It is understood that such holiday shall be requested at least three (3) work days prior, which request may be denied in the event that it adversely affects the operation of the Employer.
- (c) Regular full-time employees hired after October 1, 2016 shall be entitled to Floating Holiday following this progression:

1st day: after probation

2nd day: after 3 years of service 3rd day: after 6 years of service

- (d) All regular full-time employees who work for six consecutive months during a calendar year with one attendance incidence or fewer shall receive an additional floating holiday to be taken during that same calendar year. One floater can be earned from January 1- June 30th, and if not earned the employee will have another opportunity from July 1-December 31st. There will only be one floater allowed per calendar year and an employee can not have more than one incident per six month period.
- (e) The Floating holiday year will be from January 1st-December 31st to follow the vacation calendar year.

Section 8.01 (con't)

(f) Floating holidays must be used within the calendar year. Any unused floating holiday time will be paid out on or before the third payroll of the next calendar year.

Section 8.03

To be eligible for holiday pay, employees must have worked the entire last scheduled work day before and the entire first scheduled work day after the scheduled holiday, except in situations of legitimate illness, substantiated by a doctor's written note. It is understood that tardiness of up to fifteen (15) minutes with good reason shown shall not, in the discretion of the Employer, disqualify any employee for holiday pay. Compensation for such recognized holidays for such eligible employees shall be eight (8) hours pay, at the employee's straight time hourly rate.

Section 8.04

Holidays which fall during any period of absence for any reason, except vacation, shall not be compensated as provided for herein. However, in the event that a holiday recognized under the parties' collective bargaining agreement falls during a scheduled vacation, jury duty or bereavement leave, to which an employee is entitled under the terms of such agreement such holiday shall not be charged to vacation, jury duty or bereavement leave; and such holiday shall be paid during that vacation week

ARTICLE 9

VACATIONS

Section 9.01

Regular full-time employees covered by this Agreement shall be granted paid vacation upon completion of years of continuous service with the Employer as follows:

- · One week upon completion of one full year of service.
- Two weeks upon completion of two years service.
- Three weeks upon completion of eight years of service.
- Four weeks upon completion of ten years of service.

Section 9.02

Vacations shall be scheduled on the basis of seniority within job classification. In this regard, employees shall designate their vacation preference, which designation shall be posted. Employees desiring to assert their seniority rights with respect to the designation of another employee shall be required to exercise such right within seven (7) calendar days from posting.

Section 9.03

It is understood that changes in scheduled vacation may be made by the Employer only in cases of emergency.

Section 9.04

There shall be no accumulation of vacation benefits from one year to the next and vacation benefits for a given year shall expire on the last day of such vacation year. All employees shall be required to take their vacation annually and will not be permitted to carry any unused vacation into the next year. Any unused vacation time will be paid out on or before the third payroll of the next calendar year, but the employee must take a minimum of two weeks of vacation during the calendar year.

Section 9.05

Employees discharged for just cause or who voluntarily resign their employment with less than fourteen (14) calendar days notice shall forfeit all accrued vacation benefits at the time of termination of employment. All accrued and unused vacation shall be paid within 7 days of termination.

ARTICLE 10

Jury Duty

Section 10.01

An employee who has completed the probationary period, who is summoned and is actually required to attend and serve as a juror will be paid the difference between the juror fee and up to eight hours straight time pay per day for the actually lost from work due to such jury duty. Jury duty pay is limited to fifteen (15) work days per contract year, and it applies only to jury service performed during the schedule work week.

In the event an employee is required to serve on a Grand Jury, then the employee shall receive the difference between eight (8) hours straight time pay and the juror fee for time actually lost from work due to the Grand Jury Duty. When Grand Jury duty is for less than the full day, the employee must be available to work the non-required hours, when such work can be reasonably performed based on the starting time of the jury duty.

Section 10.02

The employee shall be requested to:

- 1. Notify his immediate supervisor immediately upon receipt of notification that the employee is required to report for jury service.
- Return to his immediate supervisor a completed form certified by the Court Clerk.
- 3. Cooperate with the Employer in requesting excuse or delay from jury service where the employee's absence will adversely affect the Employer's operations.

It is understood that employees will report back for work at any time when they are free from the responsibilities of jury duty. Any employee on Jury duty shall be assigned to the day shift during such period of jury duty.

ARTICLE 11

Bereavement Leave

Section 11.01

In the event that an employee, upon completion of the probationary period, is bereaved by the death of a husband, domestic partners 3, wife, children (including adopted and stepchildren), mother, father, brother, sister, mother-in-law, father-in-law, grandparents, step-parents, such employee shall be entitled to a leave or absence not to exceed three (3) consecutive calendar days. In the event that an employee is schedule to work any of the three (3) calendar days, such employee will receive regular straight time wages at eight (8) hours per day for the days that such employee was scheduled to work, provided:

- 1. The employee attended the funeral (unless excused by the Employer)
- Bereavement leave shall not apply during periods when the employee involved is on vacation or absent from work because or sickness, leave of absence or any other leave.
- 3. Definition to follow health care insurance program: Who has been living together on a continuous basis for at least 12 months. (Refer to complete definition of Health care insurance)

Seniority

Section 12.01

Employees in the unit covered by the Agreement shall be considered probationary during the first 520 worked hours. During such probationary period, such employees shall not have any seniority rights nor receive any of the benefits specifically provided for in the Agreement and may be dismissed or otherwise terminated by the Employer, which dismissal or termination shall not be subject to the grievance and arbitration provisions of this Agreement. The probationary period may be extended with notice to and agreement of a union steward as it relates to any probationary employee.

Section 12.02

- (a) Upon satisfactory completion of their probation period, employees shall be placed on the regular seniority roster for employees covered by this Agreement, which seniority shall revert to their date of hire or rehire.
 - (b) Seniority shall be broken for the following reason:
 - a. If the employee quits.
 - If the employee is discharged.
- c. If an employee is absent for three (3) consecutive work days without notification or satisfactory reason for not notifying or reporting.
- d. If an employee fails to report to work within five (5) consecutive work days or mailing of notice, by registered mail, of recall from layoff, without satisfactory reason.
- e. If an employee is laid off for a period which exceeds his recall rights as provided for in this Agreement.
- f. If an employee fails to return to work from a leave of absence without pay in accordance with the leave of absence without pay provisions provided for in the Agreement.

Section 12.03

Seniority shall not accrue during periods of layoff or leave of absence.

Section 12.04

Layoff: Employees covered by this Agreement shall be laid off on the basis of seniority within Job Title, provided the remaining employees possess the ability to perform the work available with minimal training.

In the event of any further layoffs, Management and the Union shall review the proposed layoff prior to enactment.

Section 12.05

Recall From Layoff: Employees laid off shall be recalled in the reverse order of layoff, provided they are available, able and qualified to perform available work. An employee shall retain the right to recall for nine (9) months with a certified letter mailed to the last known address, at which the employee have five (5) working days to respond to

Section 12.06

Job Bidding: In considering employees for bid positions, the Employer shall take into account attendance, qualification, skill, aptitude, ability and seniority. Down bids will result in employee having his base salary reduced by the monetary difference of the group he is bidding into. For over scale employees, their wage will only be reduced by the difference between the two pay groups.

Section 12.07

Employee successfully awarded to a new job shall have 160 hours to train or to return to his prior position.

ARTICLE 13

Joint Safety Committee

Section 13.01

The Employer and the Union jointly recognize their mutual responsibility to provide a safe and healthful work place. A Joint Safety Committee shall be created and meet with respect to safety matters, upon the request of any member of such Committee.

Section 13.02

Nothing contained herein shall prevent any employee from reporting any conditions at any time that the employee believes are unsafe.

Section 13.03

The Employer agrees to maintain a safe and healthful work place to the extent mandated by law. Any disputes occurring under and provisions in this Article shall not be subject to the grievance and arbitration provisions of this Agreement.

Section 13.04

Any employee injured on the job and requiring immediate medical care by a physician shall be released to obtain such care. In such situation, the affected employee shall be paid for eight (8) hours for that day only. It is understood that employees shall be required to immediately report any injury sustained on the job to his/her immediate supervisor and union steward, and that failure to do so shall subject such employee to discipline, including discharge.

ARTICLE 14

Bulletin Boards

Section 14.01

The Employer agrees to make available a bulletin board for the exclusive use of the Union. Such bulletin board shall be utilized by the Union for posting notices emanating from the Union office, bearing the written approval of a union official, which notices shall be restricted to:

- 1. Notices of Union recreation and social affairs
- 2. Notices of Union elections
- 3. Notices of Union appointments and result of Union elections
- 4. Notices of Union meetings
- 5. Notices concerning bona fide Union activities, such as: cooperatives; credit unions and unemployment compensation information

ARTICLE 15

No Discrimination

Section 15.01

Neither party to this Agreement shall discriminate against any applicant for employment or employee covered by the Agreement with regard to sex, age, creed, race, color, disability or national origin.

Life Insurance

Section 16.01

The employer shall provide life insurance benefit to each employee in an amount equal to one (1) times the employee's annual base salary.

Section 16.02

Full-time employees covered by this Agreement hired before December 1, 2014, who retire with ten (10) years or more of service at the normal retirement age and are determined to be insurable at manual rates, shall receive an Employer paid-up \$5,000 life insurance policy.

ARTICLE 17

Pension and 401 (k) Plan

Section 17.01

The employer will provide a 401 (k) plan with the terms of the plan documents to be written by the Company from time to time and will contribute the following percentages based on W-2 wages, starting the first of the month following 6 months of employment. The Company will provide weekly contributions.

The Employer contribution shall be as follows for Full-Time employees covered by this Agreement hired before December 1, 2014:

<u> 2014</u>	<u> 2015</u>	<u>2016</u>
4 3/4 %	4 3/4 %	4 3/4 %

Full-time employees hired after December 1, 2014 will be provided the Cascades 401(k) salary plan. The current plan is as follow:

- 1. The employer will contribute 100% of the first 3% of employee's contribution.
- 2. The employer will contribute 50% of the next 2% of employee's contributions.

Upon voluntary written direction of the employee, the company shall deduct an amount uniform for all employee's gross weekly wages. The company shall pay such amount by a separate monthly check payable to GCC-IBT Inter Local Pension Fund. The company will provide a report of each employees' monthly contribution.

Medical Insurance

Section 18.01

The Employer shall continue to provide medical health insurance during the term of the Agreement. Note: If an alternative Health Care Plan is presented to the company by the union, the company will evaluate the plan.

Full-time employees hired after December 1, 2014 will be provided the Cascades health insurance plan, which is offered to all salaried employees.

The company agrees to meet with Union committee on an annual basis, but no later than Q2 to get their feedback, comments and suggestions with regards to the Health Care Plan.

Employees hired prior to December 1, 2014 will be provided the Cascades Health Insurance Plan with the following differences (Section 18.02 to Section 18.04)

Section 18.02

The maximum amount that an employee will contribute is:

2017	2018	<u> 2019</u>	2020
20%	20%	20%	20%

If Cascades health care plans offer better cost sharing options, the employees will receive that cost sharing option of their elected plan.

Section 18.03

The company will contribute \$500 into the Employee's FSA Account for employees who are enrolled in the company's PPO plan.

2017	2018	<u> 2019</u>	2020
\$500	\$500	\$500	\$500

Section 18.04

The company will contribute the following percent of the deductible for the High Deductible plan into the employee's HSA account.

2017	2018	2019	2020
50%	50%	50%	50%

Section 18.05

The company will have an opt out program for employees who are covered under another health insurance plan (Proof of Insurance must be provided for all employees). The company will provide monthly contributions of \$50 for single and \$100 for family.

Section 18.06

The Union may offer other insurance plans for employees. If any employees chooses one of the union plans, the company agrees to contribute its' portion of the monthly premium as if the employee were enrolled in the company's 80% plan or High deductible contribution plus any FSA/HSA contribution. The employee will be responsible for the remaining portion of the monthly premium to weekly payroll deduction. (Company contribution to the Union health care plan equivalent, in dollars, to its monthly contribution.)

ARTICLE 19

Clothing Furnished

Section 19.01

The Employer will furnish safety equipment and clothing as the Employer exclusively deems necessary, which determination shall not be subject to the grievance procedure.

Section 19.02

The Employer shall require all employees to wear OSHA approved safety shoes. The safety shoe provider will come each February and the company will pay up to \$100.00 towards the purchase of the safety shoes per year. If employee has not chosen shoes from the provider, \$100 will be deposited in March in their pay. Employees shall be responsible for the maintenance of such shoes and shall be required to purchase a new pair of such shoes as exclusively determined by the Employer.

Wages

Section 20.01: Increase

October 1, 2016:

- \$1500.00 lump sum for all over scale employees

- \$1500.00 lump sum + new scale increase for all employees

receiving less than \$0.50 increase

- Employees receiving more than \$0.50 increase will receive

their new rate

October 1, 2017:

2.0%

October 1, 2018:

2,25%

October 1, 2019:

2.25%

Section 20.02

No employee shall have a reduction in wages without specific language and agreement with union.

Section 20.03

The minimum starting wage for any full time employee shall be thirteen dollars (\$13.00) per hour effective in year one of the current contract. After, probationary period the employee will receive a fifty cent (\$.50) increase.

ARTICLE 21

Hours, Overtime and Premium Pay

Section 21.01

The regular work week shall be Monday to Friday for regular full-time employees covered by this Agreement shall be based on forty (40) hours during a seven (7) calendar day period, comprised of five (5) eight (8) hour days, during such period. It is understood that nothing herein shall be construed as a guarantee of hours of work per day or per week, nor a restriction in any respect upon the Employer's ability to schedule or change schedules of hours worked per day or per week.

Section 21.02

Authorized overtime work shall be compensated at one and one-half times the employee's regular straight time hourly rate. The company will only pay premium pay after forty (40) hours actually worked in a pay period. However as a sole exception, the company will include for purposes of overtime the eight (8) hours of each scheduled time off including holiday, vacation, bereavement leave, jury duty, and floating holiday towards eligibility for premium pay provided the employee completes all hours scheduled in that work week and qualifies to be paid for that holiday. There shall be no pyramiding of overtime.

Section 21.03

It is understood that all employees shall be required to work all authorized overtime as determined by the Employer. In situations in which an employee is required to work a minimum of two (2) hours overtime in a day, such employee may be excused from one (1) hour of such overtime in the exclusive discretion on the Employer.

Section 21.04

For all hours actually worked on a second shift the premium will be:

2017	2018	2019	<u>2020</u>
\$.35	\$.35	\$.35	\$.35

For all hours actually worked on third shift the premium will:

<u>2017</u>	<u>2018</u>	<u> 2019</u>	<u> 2020</u>
\$.45	\$.45	\$.45	\$.45

Such premium pay shall not apply to any other compensated hours of any type or in any manner.

Section 21.06

Regular working hours for production employees under this agreement are:

First Shift	6:00 am to 2:00 pm
Second Shift	2:00 pm to 10:00 pm
Third Shift	10:00 pm to 6:00 am

If Management requires any employee to start work prior to the regular start time, it is expected that the employee will work to at least the regular end of the shift time. If the work to have been performed is satisfactory completed, the employee has the option to leave after eight hours if requested to do so by management. Management shall notify

any employees of the need to start work prior to regular working hours by posting such notice by noon on the day prior to the early start.

Nothing in this provision shall prevent the changing of hours by Management to meet the production needs of the company.

Section 21.07

All employees will be at the workstation at the beginning and at the end of their scheduled shift.

Section 21.08

Employees who are temporary or permanently upgraded to a higher paying position, for a minimum of 4 (four) consecutive hours, shall receive the high rate while performing that job.

ARTICLE 22

Job Classifications and Descriptions

The following is a designation of Job Classifications for the Production Operations of the Employer.

Operation	Machine Center	Operator	Assistant
Printing Presses EMBA 160		1	2
	EMBA 290	1	3
	Rotary D/C	1	1
	Maramatsu Printer-Slotter	1	1
	Cuironi Partition-Slotter	1	0, 1
	Pre-Press (Die Room)	1	1
	McKinley	1	1
	Titan	1	1
Finishing Presses	J&L Folder/Gluer	1	2
	General Taper	1	1
	S/A Stitcher	1	1
	S/A Gluer	1	1
	Post Stitcher	1	0, 1
	Eccentric Press	1	1
	Thompson	1	
	Slitter	1	0, 1
	Bandsaw	1	0, 1
Production Process	Compression Bander	1	-
Equipment	Baler	1	_
	Baler/Ink Splitter	1	
Material Handling	Towmotor-Pre-Production	2	-
	Towmotor-Post-Production	3	-
Warehouse		2	
Maintenance	All Machines & Grounds	3,4	0

Classification wage scale.

<u>Section 22.01</u>

Positions	Group
Maintenance Technician 3	
Coordinator	1
Truck Drivers - Tractor Trailer	
Maintenance Technician 2	
Operator flexo/Rotary	2
Straight Truck	
Die Tech	3
Maintenance Technician 1	
Second Man	4
Lift Truck Operator	
Finish Machine Operator	5
Third man	6
General Laborer	7.

Section 22.02

	Group	2016-10-01	2017-10-01	2018-10-01	2019-10-01
	Raise	Variable	2%	2,25%	2,25%
	1	\$ 21.00	\$ 21.42	\$ 21.90	\$ 22.39
Over Job Rate	1	\$ 1,500.00	\$ 0.42	\$ 0.48	\$ 0.49
	2	\$ 18.00	\$ 18.36	\$ 18.77	\$ 19.20
Over Job Rate	2	\$ 1,500.00	\$ 0.36	\$ 0.41	\$ 0.42
	3	\$ 17.00	\$ 17.34	\$ 17.73	\$ 18.13
Over Job Rate	3	\$ 1,500.00	\$ 0.34	\$ 0.39	\$ 0.40
	4	\$ 16.00	\$ 16.32	\$ 16.69	\$ 17.06
Over Job Rate	4	\$ 1,500.00	\$ 0.32	\$ 0.37	\$ 0.38
	5	\$ 15.00	\$ 15.30	\$ 15.64	\$ 16.00
Over Job Rate	5	\$ 1,500.00	\$ 0.30	\$ 0.34	\$ 0.35
	6	\$ 14.00	\$ 14.28	\$ 14.60	\$ 14.93
Over Job Rate	6	\$ 1,500.00	\$ 0.28	\$ 0.32	\$ 0.33
	7	\$ 13.50	\$ 13.77	\$ 14.08	\$ 14.40
Over Job Rate	7	\$ 1,500.00	\$ 0.27	\$ 0.31	\$ 0.32

New equipment

Section 23.01

The Company agrees to give the union 60 day notice before installing any new equipment. The Union and Company agree to meet and negotiate rates, as long as it is within our wage scale, before it is installed.

Final Agreement

Section 24.01

THIS AGREEMENT is subject to amendment, alteration or addition only by a subsequent written agreement between and executed by the Employer and the Union. The parties acknowledged that during the negotiations that resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understands and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement.

Section 24.02

Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waive the right and each agrees that the other shall no be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any matter or subject not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both parties at that time when they negotiated or signed this Agreement.

Duration

CASCADES CONTAINERBOARD PACKAGING - Lancaster, a division of

Cascades New York Inc.

Craig Griffith

Regional General Manager
Cascades Containerboard Packaging

Mathieu Côté

Regional Human Resources Manager Cascades Containerboard Packaging

Clint Dockree

Plant Manager

Cascades Containerboard Packaging

Lancaster Division

Byron Quilachamin

Production Manager

Cascades Containerboard Packaging

Lancaster

Michelle Rosowicz

Human Resources Manager

Cascades Containerboard Packaging

Laricaster

COMMITTEE

Mickeel Stafford

Mary

Phomas Gipp

loganh Namaratulan

Andrew Rogacki

<u>UNDERWRITTEN</u>

THIS AGREEMENT HAS BEEN MADE WITH CONSENT AND APPROVAL OF THE INTERNATIONAL PRINTING AND PRAGHIC COMMUNICATIONS UNION, WHICH UNDERTAKES TO GUARANTEE THE FULFILLMENT OF THE CONDITIONS HEREINBEFORE SET FORTH. EXCEPT THAT THE GRAPHIC COMMUNICATIONS INTERNATIONAL UNION ASSUMES NO LIABILITY HEREUNDER FOR THE WORK STOPPAGES OR BREACHES OF THIS CONTRACT UNLLESS SAID INTERNATION PRINTING AND GRAPHIC COMMUNICATIONS UNION ACTUALLY AUTHORIZES, RATIFIES AND ACTIVELY PARTICIPATES IN SAID WORK STOPPAGES OR BREACHES OF THIS CONTRACT.

APPENDIX A

Section 25.01

THIS AGREEMENT made and entered into by and between the Employer and the Union in effective October 2, 2016, and will continue in force and effect until midnight October 1, 2020. Thereafter, this Agreement shall continue in effect from year to year, unless either party notifies the other in writing, at least sixty (60) days prior to the expiration date of this Agreement. Such notice shall specify the proposed modifications or amendments. In the event that such a successor agreement is not agreed upon at the time of expiration of this Agreement, either party may extend this Agreement for a period of sixty (60) days, to December 2, 2020 with written notice to the other. In such event, and agreement reached during such sixty (60) days period shall be retroactive to the date of expiration.

IN WITNESS WHEREOF, the parties thereto execute this Agreement as of the day and year first above written.

BRIEF DESRCIPTION OF THE BENEFITS FOR THE NORAMPAC INDUSTRIES LANCASTER DIVISION, RETTREMENT PLAN

EFFECTIVE DAVE

October 1, 1970 amended as of Jan. 1, 1976, January 1,

1984, and January 1, 1992.

ELIGIBILITY

All employees are eligible on January 1 or July 1,

following attainment of age 21 and 1 year of service.

SERVICE

Credit is given for a year of service for each Plan year and

employee is credited with at least six (6) months of

employment.

COMPENSATION

The total salary and wages accrued on behalf of an

employee by the Employer for the services rendered during

the Plan Year.

CONTRIBUTION

4.75% of wages, providing at least 6 months of service. No contribution if employee is not on payroll as of the last work day of the year. Employees hired after December 1, 2014 of the current contact will be provided the Cascades

401(k) salary plan.

DEATH BENEFIT

Pre-retirement-payment of share of accrued benefits in fund

increased by any allocation due him.

DISABILITY

Shall be entitled to his allocated share of fund assets upon

being declared disabled by the Social Security

Administration.

VESTING

Entitles to entire amount of employee contribution account plus a vest percentage of employer contribution account. Vesting will be consistent with app applicable ERISA

requirements.

NORMAL RETIRMENT

DATE

Age 65 or age 62 with 10 years prior continuous service

with the company.

NORMAL FORM OF BENEFIT

Joint & Survivor Annuity

ANNEXE

TRANSITION CLAUSE (OVER SCALE)

Current employees

- If current employees hourly wage is higher than the new grade/classification/hourly wage scale:
 - · They keep their current hourly wage
- At each contract anniversary date, all employee's with an hourly wage that is
 higher than the new grade/classification/hourly wage scale will receive the wage
 increase in dollar equivalent to the wage increase of their classification rate:
 - o Example:
 - Current employee hourly wage: \$16.00
 - Classification hourly wage: \$15.00
 - The first full payroll period after October 1, 2017: 2% increase
 - 2% * \$15,00= \$0.30
 - Current employee hourly wage: \$16.30.
- All employees will get the new hourly wage scale if they change classification unless
 they move up and their current hourly rate is higher than the hourly rate of the new
 higher classification. If this is the case, they will retain their current hourly rate until
 the new hourly wage scale catches up.

New employees

 All employees hired after date of ratification, will get the hourly wage of the classification of the new wage scale

CASCADES CONTAINERBOARD PACKAGING - Lancaster, a division of Cascades New York Inc.

Lancaster, New York

-and-

PRESSMAN-ASSISTANT & OFFSET WORKERS LOCAL NO. 27 G.C.J.U

Buffalo; New York

- 1. Creation of Seniority list for Tractor Trailer and Straight truck driver.
 - a. Saturday and Sunday driving based on seniority.
- Doubles operation based upon qualification and then seniority.
 - a. While running doubles there will be a premium run pay of \$40.00.
- A quarterly Safety Bonus of \$30.00 shall be paid to driver.
- 4. Pallet price is \$.70 effective throughout the contract.
- 5. First delivery runs shall be posted and bid based on seniority. The bids shall be accommodated with the possible modification of runs based upon changes in production scheduling pr customer delivery requirements.
- Drivers shall receive a twenty minute paid lunch for the purpose of expediting delivery of company product.
- New or pre-owned tractors or leased tractors shall be assigned based on seniority. No driver shall have the right of tractor seniority in two consecutive years. Tractors purchased for the purpose of pulling double trailers shall only be made available to drivers who are qualified to pull double runs and actively bid for such runs.
- 8. Without waiving or limiting its rights to subcontract or terminate any of its operations in whole or in part as provided in Article 2, the Company will endeavor to use bargaining unit truck drivers to the extent practicable.

Craig Griffith Regional General Manager USA Division

Cascades Container board Packaging

Mathieu Côté Regional Manager Human Resources

Cascades Containerboard Packaging

Clint Dockree

Plant Manager

Cascades Containerboard Packaging Lancaster Division

Byron Quilachamin

Production Manager

Cascades Containerboard Packaging Lancaster Division

Michelle Rosowicz

Human Resources Manager

Cascades Containerboard Packaging

Lancaster Division

Union Trustee LOCAL NO. 27/503M G.C.I.U

Thomas Gipp

Union Steward

Joseph Nemerowicz Union Steward

Andrew Rogacki Union Steward

EXHIBIT B



GRAPHIC COMMUNICATIONS CONFERENCE INTERNATIONAL BROTHERHOOD OF TEAMSTERS 25 LOUISIANA AVENUE, NW, WASHINGTON, DC 20001-2130

202/508-6660 E mail rlacey@gciu.org Fax: 202/508-6661

ROBERT LACEY
SECRETARY-TREASURER/VICE PRESIDENT

March 15, 2017

BY FIRST CLASS MAIL and CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Michael Stafford, President GCC/IBT Local 503-M 1393 South Ave. Rochester, NY 14620 Michael Stafford, Trustee GCC/IBT Local 27-C 1393 South Ave. Rochester, NY 14620

Dear Mike:

The General Board of the Graphic Communications Conference of the International Brotherhood of Teamsters (GCC/IBT) at its October 19-20, 2016 meeting approved ending the trusteeship of GCC/IBT Buffalo Local 27-C and to proceed with the Administrative Transfer of Local 27-C Buffalo, NY into Local 503-M Rochester, NY. We are implementing this Administrative Transfer effective April 1, 2017.

Specifically, this action includes:

- The membership and representation responsibilities of Local 27-C shall be transferred to Local 503-M.
- The Charter of Local 27-C shall be revoked and the transfer of its membership, representation responsibilities, assets, liabilities, and property to Local 503-M.
- 3. Local 503-M is hereby authorized to take control of all records, books, assets, and all other properties of Local 27-C.
- 4. The officers, members, and agents of Local 27-C are hereby ordered to cooperate with the officers and agents of Local 503-M and to refrain from conducting any further business of any kind without the consent of the Executive Officer of Local 503-M.
- The failure of any officer, member or agent of Local 27-C to comply with any part
 of this ruling will be met with appropriate sanctions and other remedial action,
 including trusteeship.
- Local 503-M shall act with all deliberate speed to secure control of the property of the former Local 27-C, conduct an audit, and complete the transfer of members, representation responsibilities, assets, records and property from Local 27-C to Local 503-M.
- Local 503-M acknowledges that it is responsible for Local 27-C per capita taxes owed to the Conference. The GCC/IBT agrees to work with Local 503-M on the development of a repayment plan to satisfy Local 27-C's liability to the GCC/IBT.



Page 2 Michael Stafford March 15, 2017

When the transfer is completed, the necessary forms (LM-2, LM-3 or LM-4) must be filed with the U.S. Department of Labor, advising them that Local 27-C has ceased to exist due to the membership transferring into Local 503-M. A copy of that form should also be forwarded to this office for our files. Local 503-M should also send a letter to the employers of Local 27-C advising that Local 27-C is ceasing to exist, that Local 27-C's membership has been transferred to Local 503-M and that Local 503-M is assuming representational responsibilities for Local 27-C's membership. The purpose of such a letter is to reassure the employers that the contract will remain in force, and to give them the names of the people in the new Local to contact.

Please do not hesitate to contact me if you have questions regarding any of the above information.

With best wishes, I remain

Sincerely and fraternally,

Robert Lacey, Secretary-Treasurer

C: GCC/IBT Merger Commission GCC/IBT Membership Department IBT General Secretary Hall

EXHIBIT C

INTERNET FORM NLRB-501 (2-06)

UNITED STATES OF AMERICA NATIONAL LABOR RELATIONS BOARD CHARGE AGAINST EMPLOYER

FORM EXEMPT UNDER 44 U.S.C 3512

DO NOT WRITE IN THIS SPACE			
Case	Date Filed		
03-CA-196251	4/5/2017		

INSTRUCTIONS:		U3-CA-190231	4/3/2017
File an original with NLRB Regional Director for the region in which th		· · · · · · · · · · · · · · · · · · ·	
	GAINST WHOM CHAR	GE IS BROUGHT	h Tol No
a. Name of Employer			b, Tel. No. 716-651-2000
Cascade Containerboard Packaging, Lancaster Division			c. Cell No.
	,	ļ	f. Fax No.
d. Address (Street, city, state, and ZIP code)	ė. Employer Representa	tive	
4444 Walden Avenue	Michelle Rosowicz	1	g. e-Mall
Lancaster, New York		}	
			h. Number of workers employed 120
i. Type of Establishment (factory, mine, wholesaler, etc.) packaging manufacturer	j. Identify principal produ corregated boxes	ict or service	
k. The above-named employer has engaged in and is engaging	in unfair labor practices wil	hin the meaning of sectio	n 8(a), subsections (1) and (list
subsections) (5)		of the National Labor	Relations Act, and these unfair labor
practices are practices affecting commerce within the meanin	g of the Act, or these unfai		·
within the meaning of the Act and the Postal Reorganization /		,	·
2. Basis of the Charge (set forth a clear and concise statement	of the fects constituting the	alleged unfair labor praci	ices)
Since on or about January 1, 2017, the above-nam	ed Employer, by its o	fficers, agents and re	presentatives has falled and
refused to bargain collectively and in good faith with	h Local 503, the exclu	sive representative t	or purposes of collective
bargaining of certain employees of said Employer,			
employees. Specifically, the Employer unilaterally	implemented a \$10 p	er week penalty for a	Il smokers in the unit without
prior notice to Local 503 (formerly Local 27c) or an	opportunity to bargain	n.	
Full name of party filing charge (If labor organization, give full Michael Stafford	l name, including local nam	e and number)	
President		141). Tel. No. 505 404 4200
4a. Address (Street and number, city, state, and ZIP code)		71	5. Tel. No. 585-424-1390
1393 South Avenue		40	, Cell No.
Rochester, New York			
14620		40	i. Fax No.
		46	ı, e-Mali
		n	nlke@gcc503.com
5. Full name of national or international labor organization of wi	nich it is an affiliate or cons	tituent unit (to be filled in	when charge is filed by a labor
organization) Graphic Communications Conference of			
			at Nta
6. DECLARATION I declare that I have read the above charge and that the statements	are true to the best of my know	1	el. No. 585-424-1390
BV ////////// V COSTOUC	nael Stafford		ffice, if any, Cell No.
(signature of representative of person meding charge)	(Print/type name and tille or of	fice, if any)	ax No.
		1/_// e.	Mail
1393 South Avenue, Rochester, NY 1463	20	7/5/1/ n	nike@gcc503.com

WILLFUL FALSE STATEMENTS ON THIS CHARGE CAN BE PUNISHED BY FINE AND IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001)
PRIVACY ACT STATEMENT

(date)

Solicitation of the information on this form is authorized by the National Labor Relations Act (NLRA), 29 U.S.C. § 151 et seq. The principal use of the Information is to assist the National Labor Relations Board (NLRB) in processing unfair labor practice and related proceedings or litigation. The routine uses for the Information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). The NLRB will further explain these uses upon request. Disclosure of this information to the NLRB is voluntary; however, failure to supply the information will cause the NLRB to decline to invoke its processes.

EXHIBIL D



88 South Service Road Sulta 250 Melville, New York 11747 Yel 631 247-0404 Pax 031 247-0417

MY DIRECT DIAL IS: (631) 247-4610 MY EMAIL ADDRESS IS: GOODMANS@IACKSONLEWIS.COM

Representing Management Exclusively in Workplace Law and Related Litigation

Jackson Lowis RC. moo.eivstacziosi.ww

ALBANY, NY ALBUQUERQUE, NM ATLANTA, GA XT MITSUA BARTIMORE, MD BIRAINGHAM, AL BOSTON, MA CHICAGO, 1/. CINCINNATI, OH CLEYELAND, OH XT. PAJJAG HO MOTYKO DENVER, CO DETROIT, ME

MONMOUTH COUNTY, NJ GREENVILLE, SC HARTFORD, CT Morristown, nj HONOLULU, HI NEW ORLEANS, LA HOUSTON, TX нем локк, ил INDIANAPOLIS, IN NOILFOLK, VA JACKSONVILLE, FL OMAHA, NE KANSAS CITY REGION CHANGE COUNTY, CA LAS VEGAS, NV ORLANDO, PL LONG ISLAND, NY PHILADELPHIA, PA LOS ANGELES, CA PHOENIX, AZ MADISON, WI PITTSBURGH, PA MEATHIS, TN PORTLAND, OR MIAML PL PORTSMOUTH, NH MILWAUKEE, WI PROVIDENCE, RI MINNEAPOLIS, MN

RALEIGH, NO RAPEN CITY, SO RICHMOND, VA SACRAMBNTO, CA SALT LAKE CITY, UT SAN DIEGO, CA SAN FRANCISCO, CA SAN IUAN, PR SEATTLE, WA ST. LOUIS, MO TAMPA, PL WASHINGTON, DC REGION WHITE PLAINS, NY

*shrough an alfiliation with Jackson Lewis P.C., a Law Corporation

May 25, 2017

VIA EFILING

Paul J. Murphy Regional Director National Labor Relations Board Region 3 1305 Elmwood Ave., Suite 630 Buffalo, New York 14202-2465 Att: Caroline Wolkoff, Esq.

> Re: Cascades Containerboard Packaging - Lancaster, a Division of Cascades New York, Inc. 1 - Case No. 03-CA-196251

Dear Regional Director Murphy:

Please be advised that we represent Cascades Containerboard Packaging Lancaster, a Division of Cascades New York, Inc. (hereinafter the "Employer" or "Cascades"). Please accept this as our position statement with respect to the above-captioned Unfair Labor Practice Charge ("Charge").2

Preliminarily, the Employer raises the issue of whether Graphic Communications Conference of Teamsters, Local 503 (hereinafter the "Charging Party" or "Local 503") has standing to bring the Charge. The Employer's CBA is with a different Union, Local 27. The Employer questions the successorship status of Local 503. Second, the Employer maintains that the Charge is time barred and may no longer be brought. Third, the Employer maintains that under the terms of the present collective bargaining agreement ("CBA") (Exhibit A) between the Employer and the Charging Party, Local 503 has waived its right to file the Charge.³ Finally, assuming arguendo that the Charge may be brought, Cascades denies that it failed to notify the recognized bargaining representative of its unionized employees concerning proposed medical benefits and further denies that it refused to bargain with the representative of its employees

This is the full legal name of the Employer.

This statement of position is based upon the undersigned's knowledge of the facts at this time. Cascades reserves its right to present new or additional facts or arguments based upon subsequently-acquired information or evidence. Further, this statement of position is being submitted to assist the National Labor Relations Board in its efforts to investigate. While believed to be true and correct in all respects, this statement of position does not constitute an affidavit and is not intended to be used as evidence of any kind in any administrative or court proceeding in connection with the above-referenced Unfair Labor Practice Charge.

This is predicated on an assumption that the Charging Party is the representative of Cascades' employees and a party to the CBA as it claims. The Company maintains the Local 503 has never been such a representative.

Water and Land Land Company



concerning medical benefits. The Employer maintains there is no merit to any of the Charging Party's allegations and the Charge should be dismissed in its entirety.

I. FACTS.

Cascades has been a party to successive collective bargaining agreements with Local No. 27 of the Graphic Communications Conference of The International Brotherhood of Teamsters ("Local 27"). The past collective bargaining agreement expired on October 1, 2016 (Exhibit B). The CBA, ratified by Local 27, is effective October 2, 2016 through October 1, 2020. The bargaining unit at Cascades numbers approximately eighty (80) employees. Pursuant to the terms of the collective bargaining agreement effective from October 2013 — October 1, 2016, the bargaining unit employees are covered by a Company-wide Medical Plan ("Medical Plan") under a modified "me too" plan. The Medical Plan covers employees at twenty-five (25) Company locations covering in excess of fifteen hundred (1500) employees and close to thirty five hundred (3500) individuals. This "me too" plan, with its massively larger coverage of lives affords Local 27 rates it could never achieve alone. Under the terms of the new contract, Local 27 could present alternate medical plans to Cascades and bargaining unit employees could choose to be covered under a Local 27 medical plan. Employees who were covered under other plans (such as those of a spouse) could also opt out and obtain a Company contribution.

As early as November 2015 the Company proposed to offer, effective January 1, 2017, a reduction in premium to those employees who did not use tobacco products (tobacco initiative). Notification of the intended tobacco incentive was provided to Local 27 and to all employees at that time. Since the Medical Plan envisioned employees becoming eligible for the tobacco initiative after one year of tobacco abstinence, the Company notified Local 27 and employees early enough so that employees could prepare, if they wished, by ceasing to use tobacco one year prior to the implementation of the tobacco initiative and Local 27 could discuss the issue with the Company. The Company has not, at any time, refused to discuss the issue with Local 27. The Company and Local 27 have monthly Union-Management meetings and the issue could have been raised at any time during those meetings in 2016.

In May 2016 Local 27 and the employees were notified of a change to the pending tobacco initiative. The period of non-use of tobacco was reduced to six months from one year and the Company notified the employees so those employees that had not ceased using tobacco by January 1, 2016 could still receive the benefit in 2017 if they ceased using tobacco products by July 1, 2016 and again Local 27 had further opportunity to raise the issue.

In July 2016 Cascades entered into negotiations for a new collective bargaining agreement with Local 27. The negotiations lasted five (5) complete days and a mediation session was held on September 29, 2016. Agreement was reached on that date and the CBA was effective from October 2, 2016 through October 1, 2020. Ratification occurred in October of 2016. No mention was made of Local 503 and the CBA recites recognition of Local 27 (Exhibit A). During the course of negotiations medical benefits were discussed including the Employer's contribution to the employees' FSA and HSA accounts. Among other concessions, the Employer accepted Local 27's proposed medical plan as an alternative to the Company's

jackson lewis

Medical Plan. The Employer also agreed to maintain its contribution level for employees choosing Local 27's plan and agreed to provide FSA and HSA to employees who enrolled in the Local 27 plan. A new section was added to the CBA, Section 18.06 (See Exhibit A), to provide for these changes. Local 27 never raised the issue of the tobacco incentive though it was certainly free to do so.

II. THE UNFAIR LABOR PRATIVCE CHARGE - PROCEDURAL ISSUES.

On April 5, 2017 Local 503 filed the Charge against Cascades alleging bad faith bargaining. In that Charge, Local 503 specifically claimed to be the exclusive bargaining representative. Specifically, Local 503 claimed Cascades failed to notify it of the tobacco initiative and then unilaterally implemented the tobacco initiative without providing Local 503 with the opportunity to bargain. Cascades denies these allegations and raises certain procedural arguments as to why the Charge should be dismissed. We discuss these procedural arguments first.

A. The Representative Status of Local 503.

The Charge was filed by Michael Stafford, President of Local 503.⁴ The Charge alleges that the Employer failed to notify or bargain with Local 503 concerning the tobacco initiative. The Employer questions whether it has any obligation to bargain with Local 503. For years the Employer has dealt with and bargained with Local 27. At no time has the Employer ever dealt with Local 503. Indeed, the only indication the Company has had about any change in representation to a different labor organization occurred only on May 2, 2017, well after the Charge in this matter had been filed, in the form of a casual mention of Local 503 by Mike Stafford to Cascades' HR Director, Michelle Rosowicz. There has been no written confirmation of this prior to the Charge being filed or through the date of this writing.

The Company maintains that one labor organization, duly certified or duly recognized, cannot merely hand off representation rights to another labor organization merely because it wants to do so. It appears to the Company at this point that this may be a real issue in this case.

The issue of the circumstances under which a union may lawfully receive a transfer of bargaining rights from another union has long been discussed by the Board. See Independent Drug Store Owners of Santa Clara County, 211 NLRB 701 (1974). The Board established a two-part test to determine when, or if, bargaining rights transfer to a new union: (1) whether there had been an adequate opportunity for those affected by the change to participate and vote on the change in union representation; and (2) whether there is substantial continuity between the new union and the old one.

Stafford is also the Administrator of Local 27, which has been in receivership for four years and eight months since September 4, 2012 as shown in the last paragraph of Local 27's 2012 LM-2 report (see Exhibit C). A receivership is presumed invalid after 18 months, LMRDA, Section 304(c), 29 U.S.C. 464. However, the instant Charge was filed only by Local 503.

jackson lewis

The Board held in <u>Western Commercial Transport</u>, 288 NLRB 214 (1988), that a local union's affiliation with a larger organization that resulted in the loss of the local union's hierarchy and the loss of the autonomy of the members of a formally independent local was enough to hold that there was no continuity of representation.

While the Employer here is not in a position to provide evidence concerning the bargaining rights of Local 503, it would appear that there are some serious issues questioning Local 503's claim to bargaining rights. Local 27 was located in Buffalo, New York, which is local to the plant's employees and the Employer continues to send dues money to Local 27 in Buffalo and that money is accepted. Local 27 is known to have existed through October 2016 when the current CBA was ratified. An LM form was filed for Local 27 in 2016 (Exhibit C). The Company has no reason to believe that Local 27 is no longer extant.

Why is Local 503 claiming representational status? Local 27 was comprised exclusively of about 80 employees of the Employer who controlled their own union and their own destiny. To the Employer's knowledge, based on Local 503's LM form (Exhibit D), Local 503 is located in Rochester, New York and represents close to 700 employees of various employers. If the 80 members of Local 27 were aggregated with the 700 members of Local 503, they would constitute less than 12% of Local 503 and their control over their own local union would be lost.

The Employer has no other knowledge concerning the management and representation makeup of Local 503 but from the facts evident from the LM forms, these two local unions are very dissimilar. Under these circumstances, Local 503, the Charging Party, must be required to explain to the Region's satisfaction its claim to representative status of the Employer's employees before the Region proceeds with the merits of the Charge. If Local 503 cannot claim representational rights, the Charge must be dismissed.

B. The Charge Is Time Barred.

The National labor Relations Act ("NLRA") has a six (6) month statute of limitations on filing a charge. See: NLRA Section 10b. A party must file a charge within six months of the alleged unfair labor practice or the charge is time barred. Here Local 503 is alleging the Employer failed to notify it of the tobacco initiative or to bargain in good faith by unilaterally implementing the tobacco initiative. To try to make this argument hold water, Local 503 must necessarily be assuming that there is continuity between Local 27 and Local 503. However, Local 503 never claimed to represent the Company's employees before this Charge was filed.

The final CBA was agreed to on September 29, 2016. The CBA went into effect on October 2, 2016. The earliest notification to Local 27 on the tobacco incentive was in

Indeed, under a union security clause, the employer may only pay dues to a labor organization pursuant to a CBA and to the union that has been recognized or a lawfully established successor union. Unions cannot, at will, transfer representational rights between themselves for administrative or other convenience reasons.



November 2015. The time to file a charge arguably began then and the current Charge is well outside that limit even had Local 27 been the charging party. The Company further notified Local 27 of a modification in May of 2016. That too was also well outside the current 10b period. Even assuming the time to file a charge began to run only on September 29th, 2016, the date the parties reached agreement on the CBA containing the tobacco initiative, the time to file a charge would have expired on March 29, 2017, six (6) months from the date the parties agreed to the CBA. The Charge was filed April 5, 2017. This is beyond the six (6) month statutory 10b limitation and the Charge is therefore time barred by the NLRA.

C. The Union Waived Its Right To File The Charge.

In order for a union to waive its rights under the NLRA, the waiver must be clear and unmistakable. See Metro Edison Co. v. NLRB, 460 U.S. 693 (1983). By signing the CBA in 2016 Local 27 waived its right to raise any issue covered in the CBA. Section 24.02 of the CBA clearly and unmistakably waives the Union's right to raise an issue over any subject referred to in the CBA. (See Exhibit A). Since the Medical Plan is covered by the CBA, Local 27 (and therefore Local 503 based on its own continuity assumption) waived its right to challenge the existing aspects of the Medical Plan after reaching full agreement on the CBA. This waiver is, of course, dependent on the Union being aware of the terms of the Medical Plan, specifically the tobacco initiative. As we see below, the Union was repeatedly notified of the tobacco initiative and was well aware of it during the CBA negotiations, indeed from November 2015.

III, REFUSAL TO BARGAIN.

Local 503, assuming that it has valid representation rights, alleges that the Employer failed to notify the (applicable) union of the tobacco initiative and then unilaterally implemented it. There is no merit to the Charge. Even assuming, *arguendo* that: 1) Local 503 is the lawful transferee of bargaining rights from Local 27; and, 2) the Charge is not time barred; and, 3) Local 27 has not waived its right to file the Charge, the facts will show that not only was Local 27 aware of the tobacco initiative but also had every opportunity to discuss it in negotiations.

The employees at the Lancaster location, pursuant to the terms of the CBA, are covered under generally a "me too" Medical Plan which contains some negotiated variations. The Medical Plan is offered to a large number of Company business units in addition to the Employer. Presently there are 25 business units covered by the Medical Plan. The Medical Plan covers in excess of fifteen hundred (1500) employees and close to thirty-five hundred (3500) total individuals. Under the terms of the CBA the union with representation rights can offer alternative health plans and individual employees can opt out of the Medical Plan and choose a union plan.

Assuming arguendo that Local 503 is found to have bargaining rights, Local 503 would nevertheless remain bound by the acts of its predecessor and the applicable CBA language.

jackson lewis

Although there were Local 27 proposals the Company did not accept, the Company did not refuse to consider any proposal of Local 27 on any mandatory subject of bargaining during negotiations and the Company accepted some Local 27 proposals. The Company's bargaining record on the health care program, viewed in terms of totality of conduct, shows good faith bargaining. NLRB v. Virginia Electric and Power Co., 314 U.S. 469 (1941). During the course of negotiations in 2016 Local 27 offered, and the Employer accepted, a Local 27 proposed medical plan that employees could choose instead of the Medical Plan. The Employer agreed to pay the dollar amount of contribution to the Medical Plan to Local 27's plan. Further, the Employer agreed to maintain its FSA and FHA contribution to employees who chose the Local 27 plan. Thus, there is an alternative available to the bargaining unit employees. The Employer also offered other good and sufficient consideration including wage increases as part of the overall package.

In 2015 Cascades decided to encourage its employees to cease using tobacco. While there was no penalty for doing so, each employee who could demonstrate non-use of tobacco in the past year would receive a reduction in the employee's payment for the Medical Plan. In order to allow employees to benefit from these savings, the Company announced the tobacco initiative in November 2015 to allow employees to cease using tobacco for the year prior to the initiative's scheduled commencement. All employees, union and non-union, were notified, as was Michael Stafford. There were meetings held to discuss this and other medical plan issues.

During the early part of 2016 the tobacco initiative was modified to further allow employees who ceased using tobacco for six months, rather than a year, to be eligible to take advantage of the benefit when it went into effect. On May 25, 2016 Michele Rosowicz, the HR Manager at the Lancaster facility, sent an email to all employees about the tobacco initiative, modifying it so that for the first year a six (6) month period of non-use of tobacco would entitle the employee to participate. (See Exhibit E). A copy of this email was sent to Michael Stafford in his role in Local 27. (See Exhibit E.) On May 31, 2016 Stafford responded by thanking Ms. Rosowicz for the email and advising her that "We can talk more about this at our upcoming negotiations in July." (See Exhibit F). Clearly Local 27 was aware of the tobacco initiative the Company was seeking and the allegation that prior notice of the tobacco initiative was not given is totally without merit.

At this time no employees have chosen the Local 27 plan.

The Company based its decision on widely accepted statistical studies that there is a rational relationship between smokers and a higher utilization rate of health insurance than is the case with non-smokers. The reduction for non-smokers is thus grounded in insurance practice based on risk factors. The decision has nothing to do with union membership as both union and non-union employees may participate.

Stafford has a conflict of interest in the current case. He is shown on LM forms as President of Local 27 and also as President of Local 503. He is also believed to still be the Administrator of Local 27, still in receivership. Given that Local 503 is larger, he cannot truly represent the interests of both locals and the employees at the Lancaster plant regarding transfer of bargaining rights.



The collective bargaining agreement expired on October 1, 2016. Negotiations for a new agreement began on July 11, 2016. There were five (5) full day bargaining sessions between July 11, 2016 and September 16, 2016. On September 29, 2016 there was a mediation session and the parties agreed to the CBA. The CBA went into effect October 2, 2016.

During the course of negotiations, medical insurance was widely discussed at the bargaining table. Local 27 was free to lay its proposals on the table for the Company to consider. The issue of the Employer's contribution to the employees' FSA and HSA accounts was discussed. In addition, the Employer agreed to a proposed Local 27 medical plan and agreed to contribute to that plan in the same amount it contributed to the Medical Plan including continued FSA and HSA contribution on the same scale. (See Exhibit A, Section 18.06.),

Employer negotiators confirm that Local 27 did not raise the tobacco initiative during negotiations. Local 27 certainly could have made alternate proposals on the subject and its failure to do so cannot translate into unilateral action by the Employer. Medical insurance was discussed, as evidenced by the addition of a Local 27 medical plan to the CBA and the addition of Section 18.06 to the CBA. Local 27 was notified twice about the tobacco initiative. It acknowledged notification and stated it would discuss the issue at negotiations. (See Exhibit F.) The fact that Local 27 did not raise this issue at negotiations cannot imply unilateral action or bad faith bargaining on the part of the Employer. Even assuming Local 27 had raised the issue, the fact that the final Medical Plan contained the tobacco initiative does not demonstrate bad faith bargaining by the Employer. Negotiations are inherently a give and take process and parties can achieve, or fail to achieve, their proposals. The fact that Local 27 did not succeed in eliminating the tobacco initiative is not proof of bad faith bargaining by the Employer. Local 503's allegations are contrary to the weight of the evidence and have no basis in truth. The Charge should be dismissed.

IV. CONCLUSION.

Before investigating the merits of the Union's charge, the Region must review whether Local 503 is actually the bargaining representative of the Employer's employees. The Region needs to conclude, to its satisfaction, that Local 503 has lawfully received a valid transfer of bargaining rights as to the Employer's employees. The test to meet that requirement is set forth in Western Commercial Transport, 288 NLRB 214 (1988). We ask the Region to be cognizant of the dangers of allowing free and unfettered transfer of bargaining rights between differing labor organizations for union convenience. This not a mere affiliation or successorship case. Stability in labor-management relations is best served from careful scrutiny of attempts to casually transfer bargaining rights between labor organizations.

The Region needs to review the timeliness of the charge. Agreement on the CBA, at the latest, started the clock running on when a valid refusal to bargain charge could be filed. The six month period has run out and the Charge is untimely. Finally, even if Local 503 can demonstrate that it has somehow lawfully been transferred Local 27's bargaining rights and the Charge is not time barred, the Region needs to decide whether under the terms of the CBA, specifically Section 24.02, Local 503 has waived its right to file the Charge.

jackson lewis

Assuming the Region dismisses the procedural arguments, there is here is still no merit to the Charge. The evidence demonstrates that Local 27 was notified, repeatedly, of the proposed policy regarding the tobacco initiative. In fact, Mr. Stafford acknowledged that notification. The evidence also established that numerous bargaining sessions were held prior to the expiration of the 2013-2016 contract. All subjects were discussed including the Medical Plan. The negotiations resulted in the Employer agreeing to give each employee an option to substitute a parallel Union medical plan. Medical issues were raised and discussed at length. The failure of the Union to bring up the tobacco initiative does not translate into bad faith bargaining on the part of the Employer. What is true is that, for whatever reasons, Local 27 never raised the non-smoker reduction, but even if it had, the failure or refusal of the Employer to agree to a specific Union proposal is not bad faith bargaining nor unilateral implementation. The Charge does not establish a violation and should be dismissed in its entirety.

Very truly yours,

JACKSON LEWIS P.C.

Steven S. Goodman

SSG/nml/bc Enclosures

4838-5251-7961, v. 1

EXHIBIT E

UNITED STATES OF AMERICA BEFORE THE NATIONAL LABOR RELATIONS BOARD REGION 3

CASCADES CONTAINERBOARD PACKAGING-LANCASTER, A DIVISION OF CASCADES NEW YORK, INC.

Case 03-CA-196251

and

GRAPHIC COMMUNICATIONS CONFERENCE/ INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 503-M

ANSWER TO COMPLAINT AND NOTICE OF HEARING

The Respondent, Cascades Containerboard Packaging-Lancaster, a Division of Cascades New York, Inc. (Respondent), by its attorneys, Jackson Lewis, P.C. and pursuant to §102.20 and §102.21 of the National Labor Relations Board's Rules and Regulations, Series 8, as amended, respectfully answers the Complaint of the National Labor Relations Board as follows:

- 1. Admits the allegations set forth in Paragraphs I, II(a), (b) and III.
- 2. Denies knowledge and information to form a belief as to the allegations set forth in Paragraph IV.
 - 3. Admits the allegations set forth in Paragraphs V and VI(a).
- 4. Denies the allegations set forth in Paragraphs VI(b), VI(c), VII(a), VII(b), VII(c), VII(d), VIII(a), VIII(b) and IX.
- 5. Respondent denies all statements, allegations and demands for relief set forth in the "WHEREFORE" clause of the Complaint.

AFFIRMATIVE AND OTHER DEFENSES

1.

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The Complaint is barred by reason of the statute of limitations in Section 10(b) of the National Labor Relations Act because, among other reasons, Charging Party filed its Charge more than six months after receipt of knowledge of Respondent's alleged unlawful actions.

2.

The Complaint is barred because the Charge was brought by and the Complaint alleges obligations to a party which Respondent has no obligations to and is not in contractual relations with.

3.

The Complaint is barred because Charging Party has waived its right to file such a Charge and waived its right to obtain any relief that may be granted for the violations alleged in the Complaint.

WHEREFORE, Respondent requests that the Complaint be, in all respects, dismissed.

Respectfully submitted this 23 relay of August, 2017.

JACKSON LEWIS, P.C.

58 South Service Road, Suite 250

Melville, New York 11747

Telephone: (631) 247-0404

Facsimil (631) 247 (417

By:

STEVEN S. GOODMAN, ESQ.

Attorneys for Respondent

CASCADES CONTAINERBOARD

PACKAGING-LANCASTER, A

Division of Cascades New York, Inc.

UNITED STATES OF AMERICA BEFORE THE NATIONAL LABOR RELATIONS BOARD REGION 3

CASCADES CONTAINERBOARD PACKAGING-LANCASTER, A DIVISION OF CASCADES NEW YORK, INC.

Case 03-CA-196251

and

GRAPHIC COMMUNICATIONS CONFERENCE/ INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 503-M

CERTIFICATE OF SERVICE

I hereby certify that on the <u>13</u> day of August 2017, I served a true copy of Respondent's Answer to the Complaint and Notice of Hearing in the above-captioned case via U.S. Mail, postage paid, addressed to:

Michael Stafford, President
Graphic Communications Conference/
International Brotherhood of Teamsters Local 503-M
1393 South Avenue, Ste. 206
Rochester, NY 14620-2830

STEVEN'S, GOODMAN, ESQ.

4812-0854-9708, v. 1

EXHIBIT F

SETTLEMENT AGREEMENT

WHEREAS, Graphic Communications Conference of Teamsters, Local 503 (hereinafter "Charging Party"), filed unfair labor practice charges with Region 3 of the National Labor Relations Board (hereinafter "Region 3") in Case No. 3-CA-196251 against Cascades Containerboard Packaging — Lancaster, a Division of Cascades New York, Inc. (hereinafter "Employer"); and,

WHEREAS, the Employer, the Charging Party and Region 3 desire to settle this issue; and,

WHEREAS, the Charging Party acknowledges that the Employer may change terms of the medical insurance or group insurance described in the collective bargaining agreement ("CBA") between the Employer and Local 27, Graphic Communications Conference of Teamsters, as permitted by the CBA and past practice; and,

WHEREAS, the Employer and the Charging Party, with the approval of Region 3, have decided to settle their dispute between themselves, the Employer and the Charging Party, negotiated this Settlement Agreement ("Agreement") and agree as follows:

- The Charging Party shall withdraw its charge before Region 3.
- 2. Upon approval of the withdrawal of the charge by the Regional Director for Region 3 and the withdrawal of the Complaint by the Regional Director for Region 3, issued pursuant to the charge, the Employer agrees to do the following:
 - a. Cease imposing the additional charge for medical benefits imposed on CBA bargaining unit members beginning December 25, 2016.

b. Reimburse the CBA bargaining unit members for additional amounts charged for medical benefits. The reimbursement shall be retroactive to December 25, 2016.

3. The Charging Party and the Employer agree that this Agreement serves only to settle the instant unfair labor practice charges filed in Case No. 3-CA-196251. The Charging Party and the Employer agree that nothing in the Agreement shall be construed or interpreted in any way as an acknowledgement or recognition by the Employer that the Charging Party is the lawful bargaining representative of the bargaining unit members at issue. The Charging Party and the Employer further agree that neither this Agreement nor any discussions or negotiations leading up to its execution shall be admissible in any forum or proceeding, or used by the Charging Party in any other proceeding for any purpose, including for the purpose of attempting to establish that the Charging Party is the lawful bargaining representative of any of the Employer's employees.

4. The Charging Party and the Employer agree that neither this Agreement nor any of the discussions or negotiations leading up to its execution shall be deemed or construed at any time or for any purpose as an admission by either the Charging Party or the Employer of any liability or unlawful conduct.

AGREED TO:

Cascades Containerboard Packaging, Inc., Lancaster

Division (Employer)

Graphic Communications Conference

of Teamsters - Local 503

(Charging Party)

19011

Dated

4811-5226-6833, v. 1